

**REAL ESTATE APPRAISERS BOARD
MINUTES
MADISON, WISCONSIN
MAY 19, 1999**

PRESENT: Paul "Rick" Vozar, Gary Cuskey, LaMarr Franklin, Lill Hauschild, Mary Reavey, and Patrick Buckett

ABSENT: James Caven

STAFF PRESENT: Deputy Secretary June Suhling, Alfred Hall, Becky Fry; Ruby Jefferson-Moore, Legal Counsel; Division of Enforcement staff were present for portions of the meeting.

GUEST: Tracy Rucka, Wisconsin Realtors Association

CALL TO ORDER

The meeting was called to order at 9:34 a.m. by Rick Vozar, Chair, upon confirmation that the public notice was timely given. A quorum of six members was present.

AGENDA

The agenda was amended to include in section 13 E an additional stipulation relating to Jody Kriewaldt, and to add 3) a) ii) Reciprocity with Illinois.

MOTION: Patrick Buckett moved, seconded by LaMarr Franklin, to adopt the agenda as amended. Motion carried unanimously.

MINUTES (2/24/99)

MOTION: Lill Hauschild moved, seconded by Patrick Buckett, to approve the minutes as written. Motion carried unanimously.

ADMINISTRATIVE REPORT

Deputy Secretary's Report

• **Report of Association of Appraiser Regulatory Officials Meeting**

Deputy Secretary Suhling reported to the Board that we now have a fully executed reciprocal agreement and addendum with Illinois. The Board received a copy of the reciprocal agreement. Deputy Secretary Suhling reported to the Board on the Biennial Budget, indicating the Department is pleased with the budget other than the increase in exam fees. The budget has not yet gone through Joint Finance.

Deputy Secretary Suhling reported on the Association of Appraiser Regulatory Officials Meeting. She informed the Board of a new version of standards regarding trends affecting the profession.

Rick Vozar reported to the Board on the technical aspects of the conference. He presented to the board, a new Uniform Standards of Professional Appraisal Practice (USPAP) packet including an instructor's manual, student manual and transparencies that he received at the conference. Mr.

Vozar informed the Board on additional items from the meeting: an underlying trend seemed to be the nationalization of appraisals rather than state control; reciprocity with other states; meeting dates and locations for the next few years; property flipping and over-valuation with mortgage brokers pushing appraisers too much; legislation for temporary practice and using a standard form for credentialing, which Deputy Secretary Suhling indicated needed to be fought; and special requirements for licensure and how to appraise historical buildings and whether special training was needed.

The Board discussed the issue of Waukesha County Technical College dropping the real estate and assessment program due to lack of attendance.

The Board discussed the increase in renewal fees. Deputy Secretary Suhling will get the information and inform the Board before the end of the meeting.

The Board discussed the fact that we have reciprocity only with Illinois. They agreed that reciprocity needs to be encouraged with Iowa, Indiana, Michigan and Minnesota.

Bureau Director's Report

Alfred Hall informed the Board that Larry Seiger, an instructor from Madison Area Technical College, Truax, holds video conferencing every four months and stays involved and keeps apprised of changes in the field and administrative rules.

- **Board Roster (March 1999)**

A copy of the roster was included in the agenda packet. The Board received an updated April, 1999 roster to which Board members indicated minor changes.

Alfred Hall informed the Board that there is no information on replacements for Mary Reavey and Gary Cuskey. He also informed the Board that LaMarr Franklin had to leave for a confirmation hearing for his nomination to the Professional Counselors Section. Mr. Franklin returned at 10:38 a.m.

LEGISLATIVE ISSUES

Nothing to report.

ADMINISTRATIVE RULES

Scope Statement Relating to Incorporating Revision to USPAP

The Board received a copy of the key features of the 1999 Uniform Standards of Professional Appraisal Practice (USPAP). Ruby Jefferson-Moore informed the Board of changes to USPAP relating to the confidentiality section, new definitions and minor changes to standards 1, 2, and 3. She stated that the standards would need to be incorporated into the administrative rules.

MOTION: Mary Reavey moved, seconded by Lill Hauschild, to allow the draft to be approved by one appraiser member of the board, Rick Vozar, to approve the final draft and hold the public hearing in July. Motion carried unanimously.

The Board received a copy of Chapter RL 86 Rules of Professional Conduct and advised Ruby Jefferson-Moore to remove item #6, a certified or licensed appraiser shall not offer to perform, nor perform, services which he or she is not competent to perform through education or experience.

Ruby Jefferson-Moore informed the Board that the '99 USPAP is on the Internet located at www.appraisalfoundation.org.

Rick Vozar informed the Board that there was discussion at the AARO meeting regarding the foundation being current on the registry. The appraisal subcommittee can be found on the Internet at www.asc.gov. The Board suggested putting these addresses in the Regulatory Digest.

EXAMINATION ISSUES

Request for Proposals

Nothing to report.

ENFORCEMENT ISSUES

The Division of Enforcement (DOE) staff reiterated the importance of members adhering to timelines of returning case materials back to DOE.

APPRAISAL SUBCOMMITTEE

Nothing to report.

APPRAISAL STANDARDS BOARD

Exposure Draft of Proposed Advisory Opinion on Unacceptable Assignment Conditions in Real Property Appraisal Assignments

The Board discussed the exposure draft. Board members noted their appreciation of seeing the draft and had no comments at this time. They look forward to seeing future drafts.

Exposure Draft of Proposed Advisory Opinion on Confidential Information in Standardized Appraisal Report Forms

Board members noted their appreciation and had no comments at this time.

Request for Comments Standards 4 and 5

The Board tabled this item and it will be included on the agenda for the next meeting.

USPAP Questions and Answers
February 1999, March 1999, and April 1999

Noted

APPRAISER QUALIFICATIONS BOARD

Model Appraiser Licensing Law and Administrative Code

The Board discussed the fact that the Appraiser Qualifications Board (AQB) would like to model Wisconsin regulations with regard to reciprocity. The Board discussed the possibility of seeing more automated valuation systems, out of state reviewers, and qualification criteria relating to increases in education and/or experience.

Adoption of Interpretation of the Real Property Appraiser Qualification Form

Ruby Jefferson-Moore, Legal Counsel, interpreted for the Board, the intent of the AQB with relation to the timeliness of the application process and taking the examination. Noted.

MISCELLANEOUS CORRESPONDENCE/INFORMATION

Information was circulated in the To Pass Folder and duly noted.

Deputy Secretary Suhling explained to the Board that the renewal fees are determined by the Legislature, based on a formulary of Division Of Enforcement time and the number of practitioners.

The Board was informed that Rick Vozar presented a program at the Wisconsin Realtors Association Conference in March on Real Estate Appraisals.

Mary Reavey, in her role as a city of Milwaukee employee, will be giving a presentation on Standard 6 at the May 21, 1999 property tax seminar entitled "Property Tax for the New Millennium."

NEW BUSINESS

Nothing to report.

RECESS TO CLOSED SESSION

MOTION: Gary Cuskey moved, seconded by LaMarr Franklin, to convene the meeting in Closed Session pursuant to Sections 19.85(1)(b) and (f), Wis. Stats.: to consider the licensing or discipline of a person licensed by the Department or the investigation of charges against such a person. Specifically, to discuss the issue of case status reports, case closings, monitoring reports, deliberations on stipulations that may be signed after printing of the agenda, pending applications, and disciplinary proceedings. Motion carried by a roll call vote: Patrick Buckett-yes; Gary Cuskey-yes; LaMarr Franklin-yes. Lill Hauschild-yes; Mary Reavey-yes; Rick "Paul" Vozar-yes.

Closed Session convened at 11:17 a.m.

The Board received a copy of the Division of Enforcement Case Status Report.

The Board deliberated on case status reports, case closings, monitoring issues and the final decision and order adopting stipulation.

RECONVENE IN OPEN SESSION

By consensus the Board reconvened in open session at 11:53 a.m.

VOTING ON ITEMS CONSIDERED OR DELIBERATED UPON IN CLOSED SESSION

CASE CLOSINGS

MOTION: LaMarr Franklin moved, seconded by Mary Reavey, to close the following cases. Motion carried unanimously.

- 97 APP 034 Chris Dobrinski, P4, the conduct of the credential holder may constitute negligence but does not constitute practice below the minimal standards of the profession.
- 99 APP 003 Stephen P. Franken, P3, there may have been a violation which is more significant than a minor or technical violation but not a violation which caused serious harm, and a determination has been made that the expenditure of resources required to pursue the violation would greatly exceed the value to the public having the matter pursued, with a letter of concern
- 98 APP 004 Mary Sturdevant, James D. Rawson, P1, there may have been a minor or technical violation but a decision was made not to commence formal disciplinary action because the incident in question was not seriously harmful to the public.
- 98 APP 009 Rick R. Tielens, minor violation
- 98 APP 031 James Rupiper, no violation
- 98 APP 034 Erin Waldron, P3, there may have been a violation which is more significant than a minor or technical violation but not a violation which caused serious harm, and a determination has been made that the expenditure of resources required to pursue the violation would greatly exceed the value to the public having the matter pursued.
- 98 APP 043 Donald J. Hooker, Kathleen M. McCartan, P4, the conduct of the credential holder may constitute negligence but does not constitute practice below the minimal standards of the profession, with letter of concern
- 98 APP 035 Leopold, for administrative closure
- 98 APP 035 Fierek, for no jurisdiction

FINAL DECISION

MOTION: Gary Cuskey moved, seconded by Patrick Buckett, to accept the Final Decision and Order Adopting Stipulation, 98 APP 041. Motion carried with Lill Hauschild and Rick Vozar abstaining.

MOTION: Mary Reavey moved, seconded by LaMarr Franklin, to approve the Final Decision and Order, 98 APP 035. Motion carried with Rick Vozar abstaining.

SUCH OTHER ITEMS AS AUTHORIZED BY LAW

Rick Vozar recommended that the Division of Enforcement have an updated status on the case reports for the next meeting.

Rick Vozar extended the Board's appreciation to Mary Reavey and Gary Cuskey for their hard work and contribution during their nine plus years of service.

ADJOURNMENT

MOTION: Gary Cuskey moved, seconded by Mary Reavey, to adjourn the meeting at 12:00 p.m. Motion carried unanimously.

Next Meeting: July 21, 1999

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